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Secretary for  
Environmental Protection

# Air Resources Board

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Arnold Schwarzenegger  
Governor

TO: Dr. Gerald W. Bowes, Manager  
Toxicology and Peer Review Section  
State Water Resources Control Board

FROM: Dean C. Simeroth, Chief  
Criteria Pollutants Branch

DATE: October 21, 2008

SUBJECT: REQUEST FOR EXTERNAL PEER REVIEW OF THE LOW CARBON  
FUEL STANDARD

The California Air Resources Board (ARB) staff requests, by transmittal of this memorandum, that you initiate the process to identify reviewers to provide external scientific peer review of the Low Carbon Fuel Standard (LCFS) regulation, ARB's staff report, and other supporting documentation. The LCFS is built on the concept of assigning an appropriate carbon intensity (CI) value to a regulated party's fuel. The assigned CI value plays a key role in determining whether a regulated party has complied with the LCFS rule and whether the party has generated any credits or shortfalls for its fuel. Because of this, it is important that the methods used for assigning CI values accurately reflect the multiple steps involved in producing, distributing, and marketing the fuel and the extent the regulated party can provide information on such steps. To reflect the full impact of producing the fuel, the CI values also need to be adjusted to account for impacts on the fuel's overall carbon intensity due to changes in land use.

The LCFS will be considered for adoption at ARB's March 26-27, 2009 Board hearing. The staff report, called the Initial Statement of Reasons, will be ready for review at least 45 days prior to the Hearing. The staff of ARB requests that the LCFS regulation and staff report be subject to scientific peer review consistent with Health and Safety Code (H&S) section 57004. Due to the critical timeframe for adopting the LCFS regulation at the March 2009 Board hearing, we must emphasize that the review must be **completed and comments from reviewer(s) received by March 2, 2009**. This will allow ARB staff to review and address the comments prior to our submittal of the peer review results to the California Environmental Policy Council pursuant to H&S section 43830.8(e).

*The energy challenge facing California is real. Every Californian needs to take immediate action to reduce energy consumption.  
For a list of simple ways you can reduce demand and cut your energy costs, see our website: <http://www.arb.ca.gov>.*

California Environmental Protection Agency

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Reviewers should have expertise in the following areas: (1) greenhouse gas (GHG) modeling, (2) land use change modeling; (2) economic impacts analysis; (3) environmental and multimedia impacts analysis; and (4) pollutant credit trading, particularly GHG/carbon trading schemes.

We should note that there may be credit trading and GHG or land use modeling experts from outside the United States, including Great Britain, Australia, and other countries.

There are three attachments to this memorandum:

1. plain English summary of proposal,
2. scientific issues to be addressed, and
3. list of people who have participated in the development of the proposal.

If you have further questions regarding this request or just wish to discuss this matter further, please feel free to contact me at (916) 322-6020 or Floyd Vergara, Manager of the Industrial Section, at (916) 327-5986.

Attachments

cc: Floyd Vergara, Manager  
Industrial Section